

VII. ANY NEW RULE SHOULD COVER U.S. INVESTMENTS IN FOREIGN FIRMS AND FOREIGN INVESTMENTS IN U.S. FIRMS WHERE THERE IS AN INCENTIVE TO DISCRIMINATE

As demonstrated above, the Commission should not adopt the proposed rule. However, if the Commission were to adopt such a rule, then it should make sure the rule covers a broad range of transactions to maximize the possibility of realizing the Commission's goals. Since the purposes of the proposed new rule are to eliminate anti-competitive conduct, and to encourage foreign governments to open up their telecommunications markets,^{108/} the affiliation standard should cover any investment or non-equity arrangement where there is an incentive to engage in anti-competitive conduct, or to open up markets.

A. The Affiliation Standard Should Continue To Include Investments By U.S. Firms In Foreign Carriers

As AmericaTel points out in its Comments, the Commission's current "affiliation" standard clearly covers both: (1) foreign carrier investments in U.S. firms; and (2) U.S. carrier investments in foreign firms.^{109/} The Commission's dominant carrier regulation similarly recognizes that a U.S. firm with a foreign affiliate poses precisely the same competitive issues as a foreign carrier with a U.S. affiliate.^{110/} The NPRM's proposal to reverse field and ignore investments by U.S. firms in foreign carriers for

^{108/} NPRM ¶ 1.

^{109/} AmericaTel Comments at 11-12 (quoting 47 C.F.R. § 63.01(r)(1)(i)).

^{110/} In the Matter of Regulation of International Servs., 7 FCC Rcd 7331, 7332 (1992), modified, 9 FCC Rcd 4066 1994); 47 C.F.R. §§ 63.01, 63.10 (1994) ("International Servs.").

purposes of determining an "affiliation" to trigger any new entry standard was not justified in the NPRM and was roundly criticized by the commenters.^{111/}

Only AT&T and MCI supported the Commission's position for obvious reasons. Both AT&T and MCI have investments in foreign carriers they would like the Commission to ignore; and both have a strong interest in cutting off competition in the United States by precluding further foreign investment in competing U.S. carriers. In order to maintain profit-cost margins in the 70% range,^{112/} AT&T and MCI have a strong incentive to prevent competition from carriers with foreign capital.

AT&T justifies excluding investments by U.S. firms in foreign carriers in order to promote U.S. carrier participation in foreign markets.^{113/} This is an obvious concession that AT&T's own investments in foreign carriers could not possibly pass scrutiny under the test that AT&T promotes.^{114/} Further, application of the proposed rule to foreign firms would limit their participation in the U.S. market and in third

^{111/} See, e.g., ACC Global Corp. Comments at 11 ("Despite AT&T's unabashed attempt to avoid Commission scrutiny of its alliances abroad, the Commission must subject AT&T to, at a minimum, the same scrutiny as foreign carriers seeking to enter or expand their presence in the U.S. market"); Deutsche Telekom Comments at 58 (stating that the Commission's rules should not provide a blanket exclusion for non-equity affiliations like WorldPartners™); LDDS Comments at 7 (safeguards should be applied to U.S. carriers "with interests in overseas telecommunications carriers with market power"); MFS International, Inc. Comments at 3 (the Commission should "ensure that its review of foreign carrier affiliations includes a thorough review of the activities of U.S. carriers . . . that have substantial relationships of any kind with a major foreign carrier"); Sprint Comments at 33 (it "makes little sense for the Commission to look only at foreign equity investments in U.S. carriers and to ignore the possibility of such conduct where there is a U.S. investment in the foreign carrier").

^{112/} See Part I, supra and Exhibit A.

^{113/} AT&T Comments at 19.

^{114/} As TLD pointed out in its Initial Comments, any new rule should also cover co-marketing agreements such as AT&T's WorldPartners™.

countries. MCI summarily concludes that an exemption for U.S. firms is "reasonable."^{115/}

Applying the proposed rule to U.S. investment in foreign carriers would further the NPRM's stated goals to the same extent that application of the rule to foreign carriers would. **First**, application of the rule to U.S. firms and international firms alike would have the same value in promoting effective competition in global markets by putting pressure on foreign carriers and foreign governments to change their policies. AT&T's investments give it as much influence over telecommunications policies in Canada and Ukraine as Telefónica Internacional's ("TI") investments in Chile and Peru.

Second, AT&T's investments in foreign carriers pose the same threat of anticompetitive conduct as TI's investments in foreign carriers. The Commission should be just as concerned about potential discriminatory conduct on routes where AT&T has equity investments on both ends as it is about potential discrimination on routes where TI has equity investments on both ends. Indeed, since the volume of traffic that AT&T has to its affiliated countries is more than **1475 times** the volume of traffic that TLD has to its affiliated countries,^{116/} the Commission should be far more concerned about potential abuse by AT&T and its affiliates, than by TLD and its affiliates.

Third, the Commission will encourage foreign governments to open up their telecommunications markets just as much by applying the proposed rule to U.S. firms with investments in foreign carriers as by applying the proposed rule to foreign firms. AT&T has at least as much influence with its affiliates and their governments as TI does.

Foreign governments and foreign carriers are likely to view a new rule that imposes a heightened entry standard on foreign firms, while exempting U.S. firms, as a

^{115/} MCI Comments at 9.

^{116/} See TLD Initial Comments at 58-60.

hypocritical, double standard. They certainly would not view such a new rule as a liberalizing measure. As a result, U.S. efforts to persuade other countries to open their markets by setting a good example, and by using moral persuasion at the GATS negotiations and other international fora, would be significantly harmed.

B. The Affiliation Standard Should Be Applied When There Is A Significant Incentive For Discrimination Or For Opening Foreign Markets

If a new rule is adopted, then it should be applied to all investments in U.S. carriers where there is an incentive: (1) for the carriers to discriminate; or (2) for the foreign governments to open their home markets.

Not surprisingly, Sprint, France Telecom ("FT") and Deutsche Telekom ("DT") all contend that the affiliation standard should be based on corporate control, and should not cover minority investments.^{117/} Corporate control is important in the broadcasting context where the policy concern is control over the content being transmitted. However, the NPRM's goals in the Title II context are to encourage foreign governments to open their markets, and to prevent anticompetitive conduct.

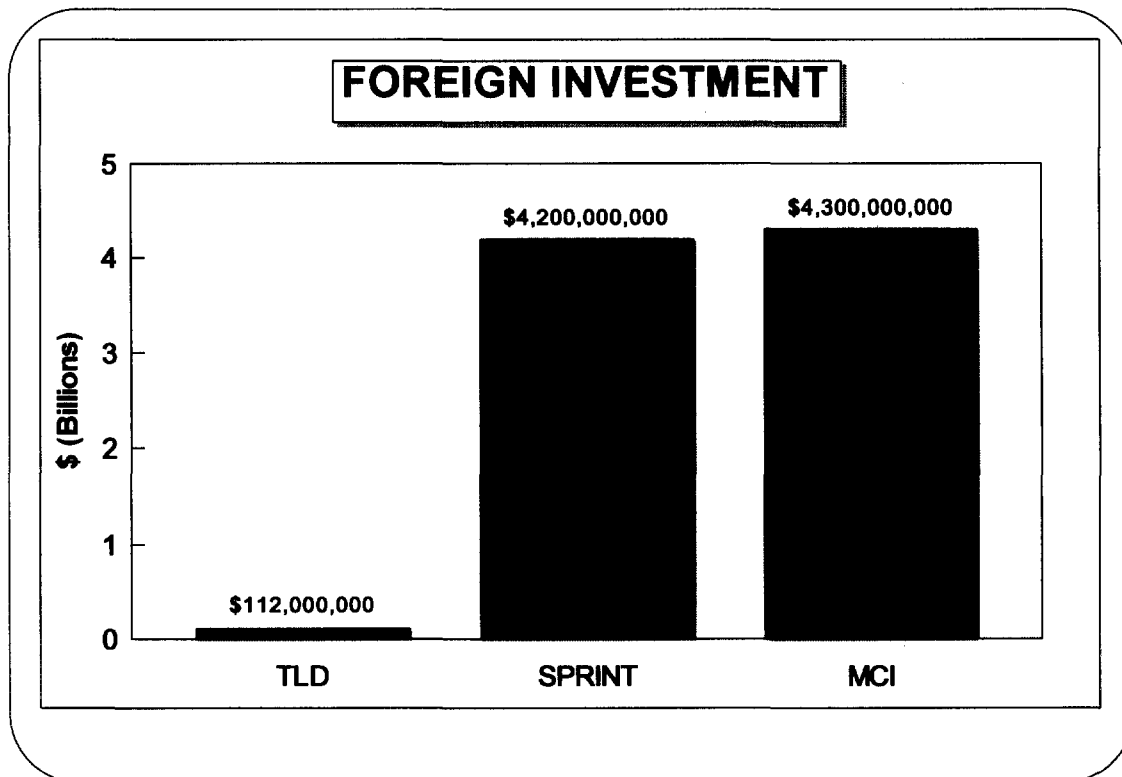
Sprint's corporate control test is not the appropriate measure of whether a foreign government would be encouraged to open its home market. Indeed, Sprint's own experts, Stanley M. Besen and John M. Gale, state that "[t]he decisions by foreigners about opening their markets will depend on such factors as the **size of their investment in the U.S. carrier**, whether the investment is controlling, and the size and profitability of the foreign markets that the U.S. wishes to have opened."^{118/} Thus, even Sprint's experts acknowledge that control is only one factor and that another critical factor is the size of the investment. As shown in Figure 3 below, the size of the foreign

^{117/} See Sprint Comments at 11-27; France Telecom Comments at 4-7; Deutsche Telekom Comments at 51-62.

^{118/} Sprint Comments, Attach. A at 2 (emphasis added).

investments in MCI and Sprint (proposed) are more than **37 times** the size of the foreign investment in TLD.

**FIGURE 3
COMPARISON OF FOREIGN INVESTMENT
IN TLD, SPRINT AND MCI**

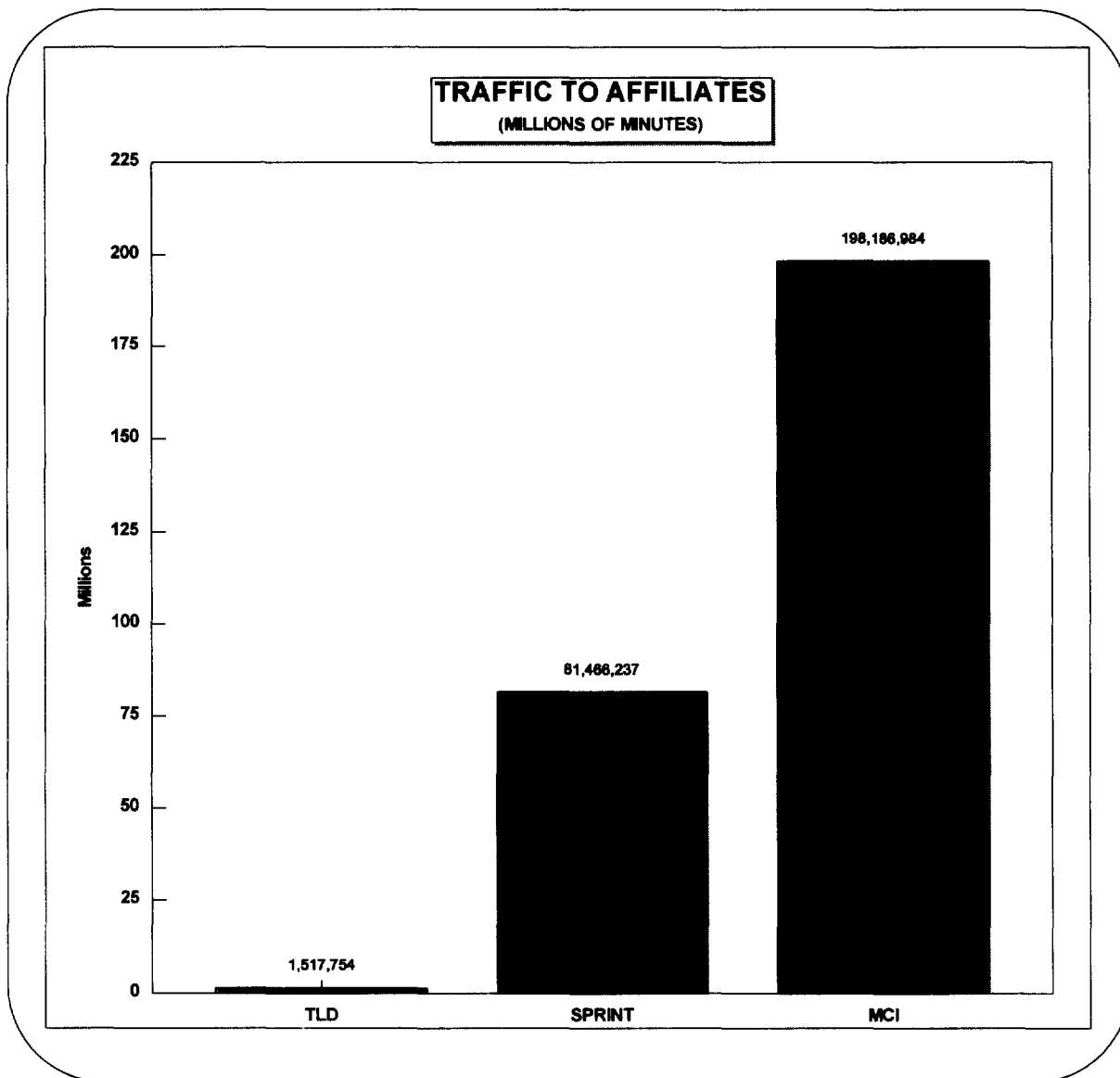


Similarly, corporate control alone does not measure incentives to discriminate. Sprint offers the example that "if discriminatory conduct by a foreign carrier increases the profits of a U.S. carrier in which it has a 10% ownership interest by one dollar, the foreign carrier will gain only 10 cents."^{119/} Sprint's example ignores the fact that the incentive to discriminate is also based on traffic volume. As shown in Figure 4, Sprint sends approximately **54 times** as much traffic to France and Germany as TLD sends to Spain, Argentina, Chile and Venezuela. MCI sends more than

^{119/} Sprint Comments at 28-29.

130 times as much traffic to the United Kingdom as TLD sends to its affiliated countries.

**FIGURE 4
COMPARISON OF TLD, SPRINT AND MCI
TRAFFIC TO AFFILIATED COUNTRIES**



The Sprint example should be modified to account for such very large traffic volumes. For example, if discriminatory conduct by all foreign carriers increased the profits of these U.S. firms by one-tenth of a cent per minute of traffic from the

United States to their affiliated countries, then the gain to the foreign firms is shown in Table 3.^{120/}

TABLE 3			
CARRIER	FOREIGN OWNERSHIP	MINUTES TO AFFILIATED COUNTRIES	HYPOTHETICAL PROFITS TO FOREIGN CARRIERS
TLD	79%	1,517,754	\$1,199
MCI	20%	198,186,984	\$39,637
SPRINT	20%	81,466,237	\$16,293

As Table 3 demonstrates, the hypothetical profits to foreign carriers depend on the ownership interest **and** on the volume of traffic to the affiliated countries. In this illustration, the increased profits from hypothetical discrimination realized by DT and FT (combined) are approximately **15 times** more than the profits for TI, even though their percentage of ownership in the U.S. carrier is significantly less. Similarly, the increased profits for BT from the hypothetical discrimination by MCI is **33 times** the profits for TI.^{121/}

Accordingly, the Commission should apply any new rule to companies with significant traffic to affiliated countries, significant investments from foreign owners, or a significant percentage of ownership controlled by foreigners. For example, the

^{120/} The "hypothetical profits to foreign carriers" are calculated by multiplying (1) the hypothetical increase in profits from discrimination per minute (\$.001); by (2) the number of minutes; by (3) the foreign carriers' ownership percentage.

^{121/} The fact that this hypothetical profit is minuscule (on the order of 1/100,000th of the size of the foreign investments) indicates that the incentive to discriminate neither motivates the foreign investment, nor warrants the drain on Commission resources a new rule would require. Even if the assumed increased profits per minute from hypothetical discrimination were increased significantly, the amount realized by the carriers is relatively small because only a small volume of traffic is sent on affiliated routes.

Commission could apply any new rule to all carriers (1) that send more than 10,000,000 minutes to affiliated countries; (2) have investments of more than \$100,000,000 from foreigners; or (3) have at least 10% of their equity held by foreigners. If the Commission bases its affiliation standard solely on the proportion of a company owned by foreigners, then that proportion should certainly be no higher than 10% (on a cumulative basis) in order for the Commission to review major transactions such as MCI/BT and Sprint/FT/DT as well as the much smaller transactions such as TLD/TI.

VIII. THE COMMISSION SHOULD APPLY ANY NEW RULE ONLY TO NEW ENTRANTS

Several other commenters agreed with TLD that any new rule should not apply to foreign-affiliated carriers that the Commission has previously authorized to provide international facilities-based services.^{122/} IDB Mobile Communications Inc. stated that the "NPRM's consistent reference to 'entry standard,' and 'potential entrants' instead of all 'foreign carrier applicants' makes it clear that the rule covers only new entrants, not foreign-affiliated carriers the Commission has already authorized to enter the United States."^{123/} Similarly, AmericaTel Corporation states that it should be exempt from any new regulations because it was entitled to rely on the Commission's approval of the Entel-Chile transaction, and because the Commission conditioned authorization of the Section 214 transfers on numerous competitive safeguards.^{124/} Likewise, TLD's authorization already contains conditions and restrictions that address the Commission's concerns in the present NPRM.

The Commission's rules should not apply to existing foreign-affiliated carriers that have made investments in reliance upon the Commission's previous

^{122/} TLD Initial Comments at 60-61.

^{123/} IDB Mobile Comments at 8.

^{124/} AmericaTel Comments at 5.

decisions. The Fifth Amendment requires the government to reimburse parties for deprivations of "'reasonable investment-backed expectation[s]'. "^{125/} In Lucas v. South Carolina Coastal Council, 112 S. Ct. 2886 (1992), the Supreme Court made it clear that the scope of Fifth Amendment rights:

has traditionally been guided by the understandings of our citizens regarding the content of, and the State's power over, the 'bundle of rights' that they acquire when they obtain title to property.^{126/}

When the Commission authorized TI to invest \$112 million in TLD, the Commission created the expectation that TLD's "bundle of rights" included the ability to expand its international facilities under the test in the TLD Acquisition Order, which permitted entry if competitive safeguards could cover the threat of anticompetitive conduct.^{127/} The proposed rule could severely limit TLD's ability to expand, which would diminish the "reasonable investment-backed expectations."

As IDB Mobile noted:

U.S. companies and the U.S. Government protest vigorously when a foreign government takes steps to diminish the value of an investment by a U.S. company in that foreign country. Fundamental fairness requires that any new rule only be applied to foreign-affiliated carriers that have not already entered the international facilities-based business.^{128/}

Accordingly, any new rule should apply only to new entrants, and not carriers that have already been authorized to provide international facilities-based services.

^{125/} Ruckelshaus v. Monsanto Co., 467 U.S. 986, 1005-06 (1984).

^{126/} Id. at 2899.

^{127/} See TLD Acquisition Order, 8 FCC Rcd at 116; see also TLD COLUMBUS II Order, 9 FCC Rcd at 4044.

^{128/} IDB Mobile Comments at 9-10.

IX. ANY NEW RULE SHOULD NOT COVER SWITCHED RESALE

The NPRM properly concluded that the rule should not be applied to foreign-affiliated carrier provision of international switched resale because "open entry for switched service resale increases the competitiveness of the international market, without resulting in substantial potential for competitive harm."^{129/} AT&T and MCI propose that any new rule be applied to switched resale services apparently because they do not want to face even this minimal level of competition from foreign carriers.^{130/}

Neither carrier even suggested that resellers could engage in competitive abuses. The three competitive abuses that AT&T claimed could come from facilities-based services^{131/} are simply inapplicable to switched resale services. **First**, since resellers do not get any return traffic, they are hardly in a position to get more than their proportionate share. **Second**, resellers cannot benefit from preferential interconnections since they do not interconnect any U.S. based facilities with facilities in the home country. **Third**, a "price squeeze" driven by accounting rates would not be possible because their costs are established by the U.S. facilities-based carriers.

In addition, AT&T's suggestion that resale entry would enable a carrier to provide global network service is greatly overstated.^{132/} Since a reseller does not control the facilities, it is hardly in a position to compete with facilities-based providers for custom global networks. As the NPRM explains:

The ability to own and control facilities enables a carrier to manage competition by resellers. A reseller has minimal pricing flexibility when it must rely on a competitor that also

^{129/} NPRM at 30 ¶ 74 (footnote omitted).

^{130/} AT&T Comments at 22-25; MCI Comments at 18-19.

^{131/} AT&T Comments at 11-16 (alleging potential abuses from facilities-based entry). These potential abuses from facilities-based services are discussed above in Part III.

^{132/} AT&T Comments at 24.

supplies the infrastructure and underlying basic services which a reseller must use to provide its own services. In addition, the reseller cannot guarantee the quality of its service because the underlying facilities necessary to provide service are not within its control.^{133/}

Accordingly, a reseller does not pose a significant competitive threat in the nascent market for sophisticated, custom global networks.

X. CONCLUSION

The Commission should not adopt the proposed rule because: (1) the rule would harm competition leading to higher prices for U.S. consumers; (2) the existing Commission safeguards have proven sufficient to prevent anticompetitive conduct; (3) the Commission does not have jurisdiction to adopt the proposed rule;

^{133/}

NPRM ¶ 72.

(4) the rule would be bad trade policy; (5) the rule would not liberalize foreign markets; and (6) the rule creates a double standard by ignoring investments by U.S. carriers in foreign firms.


Dated: May 12, 1995

Respectfully submitted,

**TELEFÓNICA LARGA DISTANCIA
DE PUERTO RICO, INC.**

Of Counsel:

Encarnita Catalán-Marchán
Maria Pizarro-Figueroa
**Telefónica Larga Distancia
de Puerto Rico, Inc.**
Metro Office Park
Building No. 8, Street No. 1
Guaynabo, PR 00922


Alfred M. Mamlet
Stewart A. Baker
Philip L. Malet
Marc A. Paul
Colleen A. Sechrest
STEPTOE & JOHNSON
1330 Connecticut Ave., N.W.
Washington, DC 20036
(202) 429-3000

*Counsel for Telefónica Larga
Distancia de Puerto Rico, Inc.*

CERTIFICATE OF SERVICE

I, Alfred M. Mamlet, do hereby certify that a copy of the foregoing TLD's **Reply Comments** has been sent, via first class mail, postage prepaid (or as otherwise indicated), on this 12th day of May, 1995 to the following:

- * Chairman Reed E. Hundt
Federal Communications Commission
Room 814
1919 M Street, N.W.
Washington, DC 20554

- * Commissioner James H. Quello
Federal Communications Commission
Room 802
1919 M Street, N.W.
Washington, DC 20554

- * Commissioner Rachelle B. Chong
Federal Communications Commission
Room 844
1919 M Street, N.W.
Washington, DC 20554

- * Commissioner Andrew C. Barrett
Federal Communications Commission
Room 826
1919 M Street, N.W.
Washington, DC 20554

- * Commissioner Susan B. Ness
Federal Communications Commission
Room 832
1919 M Street, N.W.
Washington, DC 20554

* Via Hand Delivery

- * Karen Brinkman
Special Assistant
Office of the Chairman
Federal Communications Commission
Room 814
1919 M Street, N.W.
Washington, DC 20554

- * Scott Blake Harris, Bureau Chief
International Bureau
Federal Communications Commission
Room 800, Stop Code 0800A
2000 M Street, N.W.
Washington, DC 20554

- * Jennifer Warren
Legal Advisor
International Bureau
Federal Communications Commission
Room 800, Stop Code 0800A
2000 M Street, N.W.
Washington, DC 20554

- * Diane J. Cornell, Division Chief
Telecommunications Division
International Bureau
Federal Communications Commission
Room 800, Stop Code 0800A
2000 M Street, N.W.
Washington, DC 20554

- * Brian O'Connor, Chief
Policy & Facilities Branch
International Bureau
Federal Communications Commission
Room 800, Stop Code 0800A
2000 M Street, N.W.
Washington, DC 20554

- * Troy Tanner
International Bureau
Federal Communications Commission
Room 800
2000 M Street, N.W.
Washington, DC 20554

- * Susan O'Connell
Policy and Facilities Branch
Telecommunications Division
International Bureau
Federal Communications Commission
Room 800, Stop Code 0800A
2000 M Street, N.W.
Washington, DC 20554

- * Kenneth Schagrin
International Bureau
Federal Communications Commission
Room 800
2000 M Street, N.W.
Washington, DC 20554

- * Michael Katz
Chief Economist
Office of Plans and Policy
Federal Communications Commission
Room 822
1919 M Street, N.W.
Washington, DC 20054

- * James Olson
Chief/Competitive Division
Office of General Counsel
Room 614
1919 M Street, N.W.
Washington, DC 20054

1
Mr. Larry Irving
Assistant Secretary for Communications and Information
National Telecommunications and Information Administration
U.S. Department of Commerce
Room 4898
14th Street & Constitution Avenue, N.W.
Washington, DC 20230

Tom Sugrue, Esq.
Deputy Assistant Secretary for Communications and Information
National Telecommunication and Information Administration
U.S. Department of Commerce
Room 4898
14th Street and Constitution Avenue, N.W.
Washington, DC 20230

Michele Farquhar
Chief of Staff and Director of the
Office of Policy Coordination and Management
NTIA
Department of Commerce
Room 4892
14th & Constitution Ave., N.W.
Washington, DC 20230

Carol Darr
Associate Administrator
NTIA
Department of Commerce
Room 4720
14th & Constitution Ave., N.W.
Washington, DC 20230

Mr. Jack A. Gleason
Division Director
NTIA/OIA
U.S. Department of Commerce
Room 4701
14th & Constitution Avenue, N.W.
Washington, DC 20230

Barbara Wellberry
Chief Counsel's Office
NTIA
U.S. Department of Commerce
Room 4713
14th & Constitution Avenue, N.W.
Washington, DC 20230

Phyllis Hartsock
Chief Counsel's Office
NTIA
U.S. Department of Commerce
Room 4713
14th & Constitution Avenue, N.W.
Washington, DC 20230

Joanna S. Lowry
Chief Counsel's Office
NTIA
U.S. Department of Commerce
Room 4713
14th & Constitution Avenue, N.W.
Washington, DC 20230

Ms. Vonya B. McCann
Deputy Assistant Secretary for
International Communications and Information Policy
Room 6313
Department of State
2201 C Street, N.W.
Washington, DC 20520

Mr. Michael T.N. Fitch
Deputy U.S. Coordinator and Director
Bureau of International Communications and Information Policy
Department of State
Room 6313
2201 C Street, N.W.
Washington, DC 20520

1

* International Transcription Service
Suite 140
1919 M Street, N.W.
Washington, DC 20036

* Paul Colborn
Office of Legal Counsel
Department of Justice
Main Building - Room 5246
10th & Pennsylvania Avenue, N.W.
Washington, DC 20530

* Carl Willner
Antitrust Division
Department of Justice
Main Building - Room 8227
555 4th Street, N.W.
Washington, DC 20001

Helen E. Disenhaus
Margaret M. Charles
Michael C. Wu
Swindler & Berlin, Chartered
Suite 300
3000 K Street, N.W.
Washington, DC 20007-5116
(ACC Global Corp.; MFS International, Inc.)

David A. Gross
AirTouch Communications, Inc.
Suite 800
1818 N Street, N.W.
Washington, DC 20554

1
Norman P. Leventhal
Raul R. Rodriguez
Stephen D. Baruch
Barbara K. Gardner
David S. Keir
Walter P. Jacob
Leventhal, Senter & Lerman
Suite 600
2000 K Street, N.W.
Washington, DC 20006-1809
(AmericaTel Corporation; Columbia Communications Corporation;
TRW Inc.; Univisa, Inc.)

Frank Michael Panek
Ameritech
Room 4H84
2000 West Ameritech Center Drive
Hoffman Estates, IL 60196-1025

Carl W. Northrop
Paige Anderson
Arch Communications Group
Suite 700
700 13th Street, N.W.
Washington, DC 20005

Judith A. Maynes
Elaine R. McHale
Stephen C. Garavito
James J.R. Talbot
AT&T Corp.
295 N. Maple Avenue
Basking Ridge, NJ 07920

P.R. Phillips
The British Government
British Embassy
Trade Department
3100 Massachusetts Avenue, N.W.
Washington, DC 20008-3600

Joel S. Winnik
Julie T. Barton
Hogan & Hartson, L.L.P.
Columbia Square
555 13th Street, N.W.
Washington, DC 20004-1109
(BT North America, Inc.)

Philip V. Permut
Jeffrey S. Linder
Wiley, Rein & Fielding
1776 K Street, N.W.
Washington, DC 20006
(Cable & Wireless, Inc.)

Andrea D. Williams
Michael F. Altschul
Randall S. Coleman
The Cellular Telecommunications Industry Association
Suite 200
1250 Connecticut Avenue, N.W.
Washington, DC 20036

P. Michael Nugent
Citicorp
Citibank, N.A.
425 Park Avenue
New York, NY 10043

Robert E. Conn
Shaw, Pittman, Potts & Trowbridge
2300 N Street, N.W.
Washington, DC 20037
(Communication TeleSystems International;
Transworld Communications (U.S.A., Inc.)

Joseph A. Godles
W. Kenneth Ferree
Goldberg, Godles, Wiener & Wright
1229 19th Street, N.W.
Washington, DC 20036
(CruisePhone, Inc.; PanAmSat Corporation)

Werner J. Hein
Alan E. Untereiner
Julian P. Gehman
Mayer, Brown & Platt
2000 Pennsylvania Avenue
Washington, DC 20006
(Deutsche Telekom AG)

Judith D. O'Neill
Janet Hernandez
Reid & Priest
Suite 800
701 Pennsylvania Avenue, N.W.
Washington, DC 20004
(DOMTEL Communications, Inc.)

Clyde V. Prestowitz
Economic Strategy Institute
Suite 750
1401 H Street, N.W.
Washington, DC 20005

Leonard D. Eichel
fONORAL Corp.
20 Skymeadow Road
Suffern, NY 10901

William S. Reyner, Jr.
Mace J. Rosenstein
K. Michele Walters
Hogan & Hartson, L.L.P.
Columbia Square
555 13th Street, N.W.
Washington, DC 20004
(Fox Television Stations, Inc.)

Jeffrey P. Cunard
Lothar A. Kneifel
Debevoise & Plimpton
Suite 1100E
555 13th Street, N.W.
Washington, DC 20004
(France Télécom)

Gail L. Polivy
GTE Service Corporation
Suite 1200
1850 M Street, N.W.
Washington, DC 20036

Richard M. Riehl
Haley, Bader & Potts, P.L.C.
Suite 900
4350 North Fairfax Drive
Arlington, VA 22203-1633
(Heftel Broadcasting Corporation)

Robert S. Koppel
IDB Mobile Communications, Inc.
Suite 460
15245 Shady Grove Road
Rockville, MD 20850
(IDB Mobile Communications, Inc.; IDB Communications, Inc.;
LDDS Communications, Inc.)

1
Andrew D. Lipman
Margaret M. Charles
Swindler & Berlin, Chartered
Suite 300
3000 K Street, N.W.
Washington, DC 20007-5116
(K&S International Communications, Inc.)

John T. Scott, III
William D. Wallace
Crowell & Moring
1001 Pennsylvania Avenue, N.W.
Washington, DC 20004
(Loral/QUALCOMM Partnership, L.P.)

Leslie A. Taylor
Leslie Taylor Associates
6800 Carlynn Court
Bethesda, MD 20817
(Loral/QUALCOMM Partnership, L.P.)

John M. Scorce
Donald J. Elardo
MCI Telecommunications Corporation
1801 Pennsylvania Avenue, N.W.
Washington, DC 20006

David Honig
The Minority Media and Telecommunications Council
Suite AG-58
3636 16th Street, N.W.
Washington, DC 20010

Bonnie J.K. Richardson
The Motion Picture Association of America, Inc.
1600 Eye Street, N.W.
Washington, DC 20006

Michael D. Kennedy
Motorola, Inc.
Suite 400
1350 I Street, N.W.
Washington, DC 20005

John K. Hane
National Broadcasting Company, Inc.
1299 Pennsylvania Avenue, N.W.
Washington, DC 20004

Edward R. Wholl
Jacqueline E. Holmes Nethersole
NYNEX Corporation
1111 Westchester Avenue
White Plains, NY 10604

Thomas J. Keller
Verner, Liipfert, Bernhard, McPherson and Hand, Chartered
Suite 700
901 15th Street, N.W.
Washington, DC 20005
(International Private Satellite Partners, L.P., d/b/a Orion Atlantic)

William J. Franklin
William J. Franklin, Chartered
Suite 300
1919 Pennsylvania Avenue, N.W.
Washington, DC 20006-3404
(Roamer One, Inc.)

Linda L. Tratnik
SDN Users Association, Inc.
P.O. Box 4014
Bridgewater, NJ 08807

Cheryl A. Tritt
James M. Tobin
Morrison & Foerster
2000 Pennsylvania Avenue, N.W.
Washington, DC 20006
(The Secretary of Communications and Transportation of Mexico)

J. Gregory Sidak
American Enterprise Institute for Public Policy Research
11th Floor
1150 17th Street, N.W.
Washington, DC 20036

Leon M. Kestenbaum
H. Richard Juhnke
Michael B. Fingerhut
Sprint Communications Company, L.P.
11th Floor
1850 M Street, N.W.
Washington, DC 20036

Charles C. Hunter
Hunter & Mow, P.C.
Suite 701
1620 I Street, N.W.
Washington, DC 20006
(Telecommunications Resellers Association)

Albert Halprin
Stephen L. Goodman
Halprin, Temple & Goodman
Suite 650 East
1100 New York Avenue, N.W.
Washington, DC 20005
(Teleglobe, Inc.)